

0110.03 Facility Leasing

Issued January 6, 1997

SUBJECT: Facility Leasing.

APPLICATION: Executive Branch Departments and Sub-units.

PURPOSE: To specify procedures for the procurement of space for State operations when State-owned facilities are not available.

CONTACT AGENCY: Department of Management and Budget (DMB), Strategic Asset Management (SAM), Real Estate Division (RED)
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SUMMARY: Obtaining and leasing of space for executive branch departments is performed by DMB, Strategic Asset Management, Real Estate Division. To initiate a request for lease services, an agency must furnish a Space Request on Form DMB-618, which details the program and space needs and requirements of the requesting agency. A Space Request is also necessary for renewals, exercise of previously negotiated renewal options, relocations of an existing office to another equivalent location, seasonal or temporary space, emergencies, for maintenance of existing program services at the same level, to adhere to Executive Directive 2003-22 which requires agencies to locate and consolidate with other agencies in downtown or central business districts of cities or villages, for additions, or renegotiated renewals or relocations due to programmatic reasons. Other Applicable Regulations: Executive Order 2002-20 and, Rule 18.501 through 18.509 of the Administrative Code, Section 1E. 1221 of the Management and Budget Act 431 Of 1984

APPLICABLE FORMS: DMB-618

PROCEDURES:

Agency:

- Submit Space Request to Real Estate Division Director justifying need for leased space. Where necessary, prepares/contracts for plans and specifications through the Office of Facilities, Design and Construction Division. Submit plans and specifications to Real Estate Division.

Real Estate:

- Advise agency of existing leased facilities.
- Seek potential locations through utilization of bidder's list and public advertisement.
- Notify local units of government requesting recommendations of potential site locations and consult with local units of government.
- If existing building, verify suitability of space and site with agency. If new construction, verify suitability of vacant site(s).
- Obtain land control where required.

- Submit plans and specifications to Office of Design and Construction Division for review and approval.

Design and Construction Division:

- Review plans and specifications according to DMB space standards. Submit recommendation to Real Estate.

Real Estate:

- Prepare and send out bid/proposal packages.
- Receive and review bids/proposals. Recommend bid/proposal to agency.

Agency

- Review bid/proposal recommendation and notify Real Estate of concurrence.

Real Estate:

- Prepare lease document. Obtain lessor and department signatures. Submit to the Department of Attorney General, State Affairs Division, for review. If necessary, submits either notification or request for approval to Joint Capital Outlay Subcommittee (JCOS).

Attorney General:

- Review lease documents and approve as to legal form.

JCOS:

- Approve or reject leasing space, if required.

Real Estate:

- Submit recommendation for approval to State Administrative Board (SAB).

SAB:

- Approve or reject lease.

DMB Director:

- Review and execute the lease.

Real Estate:

- Deliver executed lease to lessor and send copy to agency. Review and inspect space for compliance with lease.

Agency:

- Arrange for professional inspections of construction and/or remodeling through the Construction Division. Take occupancy and make required lease payments. Handle day-to-day maintenance problems with lessor. Inform Real Estate when lessor fails to abide by the provision of the lease.

Real Estate:

- Makes annual operating adjustments on leases and recommend payment of adjustments to agency.
- Amends, interprets, and takes required action under the terms of the lease. Manages lease occupancy problems.

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